

I. THE PARTIES AND SUBJECT PROPERTIES

1. The State of Maryland is represented by and through its chief legal officer, the Attorney General for the State of Maryland. The Civil Rights Division of the Office of the Attorney General (OAG) is authorized to enforce State and federal anti-discrimination laws. The Civil Rights Division is tasked with investigating, litigating, and resolving civil rights violations by seeking injunctive relief, restitution, civil penalties, attorney fees, and costs of the investigation.
2. American Management II, LLC (American Management) is a limited liability property management company based in Baltimore, Maryland, responsible for managing more than 1,000 rental units in the city.
3. The Subject Properties are the properties managed by American Management, including the specific properties cited during the investigation.

II. BACKGROUND

4. The OAG conducted an investigation of American American Management's tenant screening practices, including its ban on persons with a felony conviction and found reasonable cause to believe that American Management violated the Fair Housing Act (42 U.S.C. § 3601 et seq.) and Maryland State Government Article § 20-701 et seq.
5. Federal and Maryland fair housing laws explicitly prohibit discriminatory advertising in housing-related transactions. Under Federal and Maryland law, it is unlawful to "make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on race..., or an intention to make any such preference, limitation, or discrimination." Md. Code Ann., State Gov't § 20-705(3); 42 U.S.C. § 3604(c).
6. American Management denies that any action it has taken is a violation of Federal and Maryland law and denies any wrongdoing. Nevertheless, American Management seeks to collaborate with the OAG to ensure that its policies and practices comply with Maryland and federal fair housing laws. By this Settlement Agreement (Agreement), American Management commits to ensuring fair and equitable housing practices moving forward.
7. The Parties acknowledge that American Management has removed all language banning applicants with felony convictions from its rental applications, qualifications documents, and other public-facing materials. This change demonstrates American Management's commitment to complying with fair housing laws.

III. THE PARTIES' AGREEMENT

8. The Parties agree that this agreement is a full and final compromise settlement of all civil claims under Federal and Maryland law that the Civil Rights Division and could have brought in this investigation based on the alleged conduct of American Management.

IV. APPLICATION

9. The provisions of this Agreement shall apply to Respondent American Management and its principals, officers, directors, and employees operating in the normal course of their employment.
10. The provisions of this Agreement, including all changes to policies and practices set forth herein, shall remain binding on American Management for the duration of this Agreement. After the termination of this Agreement, American Management's ongoing obligations under Maryland and federal fair housing laws, including the policies and practices implemented pursuant to this Agreement, shall remain in effect for as long as American Management offers services in Maryland.

V. CHANGES TO POLICY, PRACTICES, TRAINING

11. American Management affirms that it will not engage in any practices that violate Maryland and Federal fair housing laws with respect to the real estate services it provides.
12. Within 30 days of this Agreement, American Management shall hire a fair housing expert, subject to the approval of the OAG, to assist in the development of annual fair housing training for employees on Maryland and federal fair housing laws. The training must cover discrimination, proper housing practices, and compliance with applicable fair housing standards. This expert will also assist in drafting written policies for American Management's tenant screening policy to ensure compliance with fair housing laws.
13. Within 60 days of this Agreement, American Management shall develop and submit the annual fair housing training curriculum to the OAG for review and approval.

14. Within 60 days of this Agreement, American Management shall submit an updated criminal history screening policy for review and approval by the OAG. This policy must:
 - a. Ensure individualized assessments for applicants with a criminal history.
 - b. Include reasonable lookback periods.
 - c. Consider the nature, severity, and recency of offenses.
 - d. Ensure applicants have the opportunity to provide mitigating circumstances
15. American Management shall provide the updated policies required under paragraph 12 to all current employees, independent contractors, management, and corporate officers. Within the first 14 days of an individual's employment or service with American Management, the company shall provide the updated policies to all new employees or contractors hired after the effective date of this Agreement.
16. Whenever American Management engages any independent contractor to perform residential real estate brokerage services in Maryland for residential properties, American Management shall:
 - a. Provide the independent contractor with a copy of the criminal history screening policy adopted pursuant to this Agreement. American Management shall require that the contractor apply this policy in all tenant screening activities related to any dwelling units managed by American Management in Maryland.
 - b. Provide the independent contractor with a copy of the fair housing training materials developed under this Agreement.
 - c. Provide the following written notice—or language substantially similar, subject to approval by the Civil Rights Division—to each independent contractor performing real estate brokerage services:

"It is the policy of American Management not to discriminate in the provision of housing. American Management does not exclude applicants solely on the basis of criminal history. American Management has adopted a criminal history screening policy consistent with federal and Maryland fair housing laws. All agents and contractors engaged in leasing or screening on behalf of American Management are required to follow this policy."
17. If the Civil Rights Division determines that an independent contractor acting on behalf of American Management has engaged in conduct inconsistent with the criminal history screening policy, the Civil Rights Division shall notify American Management in writing. Upon receiving such notice, American Management shall have 30 days to take reasonable corrective action to address and prevent recurrence of the conduct at issue. If the Division determines that no reasonable

corrective action has been taken within the 30-day period, the Division may pursue appropriate remedies under this Agreement.

18. Within 90 days of this Agreement, and on at least an annual basis for as long as American Management continues to offer services in Maryland, American Management shall provide training to all employees, management corporate officers, and members. The training will focus on federal and Maryland fair housing laws, with a specific emphasis on the fair housing rights of people with criminal records.
19. On or before December 31 annually, through 2030, American Management shall provide the following information and documentation to the OAG, Civil Rights Division to the attention of Marques Banks mbanks@oag.state.md.us:
 - a. A list of every applicant denied housing during the background check process in the preceding 12 months where criminal history screening played any role in the denial decision, regardless of whether criminal history was the primary reason for denial, including the reason(s) for denial and any supporting documentation.
 - b. Copies of all materials used in denying each applicant identified in Section A, including but not limited to:
 - i. Individualized assessments conducted as part of the criminal history screening process.
 - ii. Documentation detailing the consideration of the nature, severity, and recency of any offenses.
 - iii. Correspondence or internal records related to the denial decision.
 - c. The dates, topics, curricula, and attendance records for any training session conducted pursuant to this Agreement.
 - d. All policies and any changes to the policies required under this Agreement, including the criminal history screening policy and any other fair housing compliance documents.

VI. RESTITUTION AND CIVIL PENALTIES PROVISIONS

20. Within 60 days of the date of this Agreement, American Management shall waive application fees for any applicant with a felony conviction for a period of two (2) years. American Management will implement this policy across all properties it manages in Maryland. Proof of implementation and a copy of the updated policy reflecting the waiver of application fees for applicants with a felony conviction will be submitted to the Civil Rights Division within 90 days of this Agreement.

As part of this implementation, American Management shall update all rental applications and related materials to include the following notice:

"NOTICE: American Management is committed to ensuring equitable access to housing. Applicants with a felony conviction may be eligible for a waiver of application fees. If you have a felony conviction and would like to request a waiver, please [\[click here\]](#) to learn more about eligibility and the application process..

This notice shall be prominently displayed on all rental applications and American Management's website where application information is provided.

21. The Parties acknowledge that the restitution provision outlined above is intended to address allegations that American Management's past publications, advertisements, or policies may have violated Maryland and Federal fair housing laws. American Management denies these allegations but certifies the application fee waiver will be applied consistently and without exception for applicants with a felony conviction during the two-year period.
22. Within 60 days of this Agreement, American Management shall pay the State of Maryland a civil penalty in the amount of \$25,000.00 (Twenty-Five Thousand Dollars and Zero Cents). The OAG will provide wire transfer directions separate from this agreement. Payment of this civil penalty will satisfy all claims the State of Maryland may have for civil penalties, costs, and reasonable attorney fees associated with this investigation.

VII. ADDITIONAL TERMS

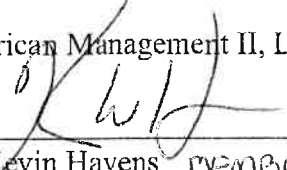
23. This Agreement represents the full and complete terms of the settlement entered by the Parties.
24. If the Civil Rights Division has reasonable cause to believe that American Management has breached this Agreement, the Civil Rights Division may file an action in the Circuit Court of Baltimore City to enforce this Agreement. If the Court determines that American Management has breached this Agreement, American Management shall be responsible for paying the Civil Rights Division the costs of the determination and of enforcing this Agreement, including legal fees, expenses, and court costs.
25. Each representative executing this Agreement certifies that they are authorized to enter into and consent to the terms of this Agreement and to legally bind their party to it. This Agreement may be executed in counterparts.

26. This Agreement is applicable to, and binding upon, the Parties, their principals, officers, agents, employees, administrators, representatives, assignees, successors, and all legal representatives thereof.
27. The Parties may, upon mutual written agreement, amend this Agreement to address changed circumstances.
28. This Agreement resolves this Title 20 investigation and is limited to the facts and issues presented during this investigation. This Agreement neither affects American Management's continuing obligation to comply with local, state, and federal fair housing laws nor precludes the Civil Rights Division from taking appropriate action to evaluate American Management's compliance with any laws or regulations enforced by the Civil Rights Division.
29. This Agreement does not bar any individual from pursuing a Title 20 complaint or any other action allowed by law against American Management. Similarly, the execution and performance of this Agreement on the part of American Management is not, and shall not be deemed to be, an admission of any unlawful or actionable conduct on the part of American Management or its personnel.
30. The Civil Rights Division may review compliance with this Agreement at any time during the term of the Agreement.
31. Failure by the Civil Rights Division to enforce this entire Agreement, or any provision thereof with regard to any deadline or any other provision herein, will not be construed as a waiver of the Civil Rights Division's right to enforce provisions of this Agreement.
32. This Agreement is a public document that will be posted in a conspicuous location on the OAG's public website for the duration of the Agreement and provided to any individual who requests a copy. Any attachments to this Agreement that contain confidential or private information about affected households will not be posted publicly and will be maintained as confidential.
33. The Effective Date of this Agreement is the date of the last signature below.
34. This Agreement will terminate five years from the Effective Date, provided that American Management has demonstrated substantial compliance with the provisions of this Agreement.

Agreed as to form and substance by:

American Management II, LLC

By:



Kevin Havens MEMBER

Date:

4 Apr 2025

Civil Rights Division

By:


Marques Banks
David Prater
Rashida Olgetree-George
Jonathan Smith

Date:

4 Apr 2025